



Senate Energy & Technology Hearing on March 25, 2014

Comments on PA 295 and Value and Benefits of Renewable Energy

Submitted by Delmar Bachert, GLREA Executive Director

The Great Lakes Renewable Energy Association (GLREA) is a statewide non-profit that advocates for a greater use of renewable energy in Michigan and provides education and training on renewable energy. GLREA has members throughout Michigan and many are small businesses that sell and install solar and wind energy systems.

It is important to emphasize that any state energy policy or utility planning should put energy efficiency first. Energy efficiency is our cleanest, most reliable, and cost effective energy option. GLREA believes that renewable energy resources complement energy efficiency and other energy resources and that state energy policy and utility planning should take into account the many benefits that come from a greater use of renewable energy resources.

The Renewable Energy Report from the Governor's *Readying Michigan to Make Good Energy Decisions* workgroup found that all of the following scenarios were possible even while reducing the current renewable energy surcharge caps.

- ☐ 15% by 2020
- ☐ 20% by 2025
- ☐ 25% by 2030
- ☐ 30% by 2035

Costs for solar and wind power continue to go down and projections indicate these trends will continue. In addition to being practical and economical, a greater use of renewable power has the following benefits:

- Renewable energy resources are cleaner than fossil fuels and provide a no regrets "insurance policy" against climate change impacts
- Renewable energy resources help provide a more diverse and consequently more reliable electric system
- Renewable energy resources provide a price hedge against volatile and unknown future fossil fuel prices

- Distributed renewable energy resources can avoid or defer investments in the distribution system
- Renewable energy resources can provide jobs in Michigan
- Public support is strong for a greater use of renewable energy resources

PA 295 has provided many economic and environmental benefits to Michigan. Michigan should build on our success:

- Extend and expand our Renewable Energy Standard beyond 10%.
- Maintain our net metering policies and expand eligibility to any renewable energy system under 550 kW.
- Support the development of Community Solar projects which will allow Michigan citizens to invest in local renewable energy projects. “Virtual Net Metering” legislation would allow Community Solar investors to obtain electric bill credits from a central Community Solar project on their own utility bills.

Encouraging the development of both utility scale and distributed renewable energy will clean our air and water and create jobs in our communities. Strong state policies can empower the GLREA business members to expand, create jobs, and make renewable energy benefits a reality.